THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) and (b) In the National Common Minimum Programme (NCMP) of the Government it has been provided that Government will ensure that all funds given to States for implementation of Poverty Alleviation and Rural Development Schemes by Panchayat are neither delayed nor diverted. Monitoring will be strict. The Government has recently created a Ministry of Panchayati Raj *w.e.f.* 27.5.2004. This Ministry is in the process of being set up. While there is no proposal for constituting a monitoring agency as such, the Ministry is monitoring development programmes in association with its sister Ministry of Rural Development.

Two-tier Panchayat system

1407. SHRI T.T.V. DHINAKARAN: Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) Whether it is a fact that many States have been demanding Constitution Amendment for two-tier Panchayat System;

(b) if so, what is the view of Government on this; and

(c) by when Government are likely to bring such Constitution Amendment?

THE MINISTER OF PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR): (a) Yes Sir.

(b) and (c) Having considered all aspects of the proposal, the Ministry of Panchayati Raj has decided to facilitate and secure implementation of the Constitution (73rd Amendment) Act, 1992 by States/UTs, in letter and spirit, by encouraging States/UTs to adopt carefully drawn-up plans of action to implement the existing provisions of the Constitution.

ONGC's entry into power business

1408. SHRIMATI S.G. INDIRA:
SHRI S.M. LALJAN BASHA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that ONGC has plans to set up a number of power plants;

(b) whether it is also a fact that the ONGC has also decided to set up major power plants using natural gas at various places in the country;

(c) whether it is also a fact that the ONGC has also signed agreements with State Governments to set up Special Economic Zones;

(d) if so, the details thereof including the objectives of ONGC going into the power business;

(e) whether it is also a fact that this would be outside the core business of ONGC; and

(f) if so, what are the risks involved for ONGC to invest huge sums of money in such a new business?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Oil and Natural Gas corporation Limited (ONGC)'s plan to set up power plants is at a concept stage.

(c) ONGC has not signed any agreement with State Government to set up Special Economic Zones, but is considering establishing units in SEZs.

(d) to (f) Most of the global oil and gas majors are integrated in the entire hydrocarbon value chain to insulate themselves against possible business uncertainties. ONGC's plan, which is at a concept stage, is only to examine the vertical integration in the value chain. According to ONGC, all aspects of risks would be identified and adequately addressed prior to finalization of any project.

Southern Gas Grid

1409. SHRI SUDARSHAN AKARAPU: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government propose to set up a Southern Gas Grid in Andhra Pradesh by laying gas pipelines from Krishna-Godavari (KG) basin;

(b) whether any techno-economic feasibility study was made in this regard in view of huge gas reserve found in KG basin;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?